GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2386
ANSWERED ON:11.03.2016
Exemption of Excise Duty
Patel Shri Devji Mansingram

Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to replace Mehandi from Central Excise duty in place of the term "Mehandi Paste" containing no other constituents as used in the notification related to the exemption from Central Excise Duty;

(b) whether the Government proposes to remove the anomaly existing in the said notification of the Central Board of Excise and Customs;

(c) if so, the details thereof and the action taken in this regard so far; and

d) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)
(a): No, Sir.

(b), (c) and (d): In the Budget 2013-14, "heena powder or paste, not mixed with any other ingredient" was exempted from excise duty with effect from 01.03.2013 vide notification No. 12/2012-Central Excise dated 17.03.2012 [S. No. 134 of the Table thereof], as amended. Subsequently, doubts were raised regarding the scope of this exemption from excise duty regarding the phrase "not mixed with any other ingredient". In this context, it was clarified that the exemption is available to heena powder mixed with a liquid, so far that the liquid is a medium to change the form of heena powder into paste but excludes products like heena dye and such other products which are cosmetics.
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